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COMMONWEALTH OF VIRGINIA

STATE CORPORATION COMMISSION

AT RICHMOND, October 27,1998

APPLICATION OF

BELL ATLANTIC-VIRGINIA, INC.

CASE NO. PUC980109

For approval of tariff revisions to create a Value Added Service Package

ORDER SCHEDULING HEARING

Pursuant to our Order of August 5, 1998, comments were submitted on or before September 8, 1998, concerning Bell Atlantic-Virginia, Inc.'s ("BA-VA") tariff revisions for a service package known as the "Big Deal." Comments were received from AT&T Communications of Virginia ("AT&T"), BA-VA, MCI Telecommunications Corporation ("MCI"), and Sprint Communications Company, L.P. ("Sprint").

Having reviewed those comments, the Commission finds that additional information is needed in order to determine this matter. We hereby schedule a hearing and establish a procedural schedule that will allow the parties to submit additional evidence and argument.

The parties should submit whatever argument or evidence the parties deem appropriate for the Commission to decide this matter but, at a minimum, should address the following issues:

- (1) If, after dialing parity is introduced in Virginia, the Commission should classify BA-VA's intraLATA toll services as competitive, does the condition placed upon the "Big Deal" package violate Paragraph 12 of BA-VA's Plan for Alternative Regulation? If so, can the violation be eliminated by action other than disallowing the "Big Deal" package?
- (2) Would the disparate rates between the "Big Deal" package of services and the otherwise tariffed rates for those services violate § 56-234 of the Code of Virginia?
- (3) If intraLATA toll service is classified as competitive, would the disparate rates between the "Big Deal" package of services and the otherwise tariffed rates for those services violate § 56-234 of the Code of Virginia?
- (4) Is it correct that once intraLATA dialing parity is in place in Virginia and a customer currently provided the "Big Deal" package decides to choose another local or regional toll provider, BA-VA will continue to provide the optional services ordered in the "Big Deal" but will charge the applicable tariff rate and not the \$17.99 "Big Deal" rate?
- (5) If the Commission should allow the tariff revision ("Big Deal") to remain in effect, and a customer participating in the "Big Deal" package were to be allowed to presubscribe to an intraLATA toll carrier other than BA-VA and choose to continue to obtain the same discretionary services, would a

reversion to the tariffed rates for such discretionary services amount to an increase in rates for the discretionary services of BA-VA? If so, would any such increase violate Paragraph 7.B of BA-VA's Plan for Alternative Regulation?

- (6) Is the condition requiring BA-VA as the intraLATA toll service provider attached to the "Big Deal" package inconsistent with the Commission's competitively neutral principles for implementing intraLATA dialing parity in Case No. PUC970009?
- (7) Has BA-VA offered, or attempted to offer, the "Big Deal" or similar packages in other states? If so, are these packages tied to the company's intraLATA toll services?
- (8) Does the "Big Deal" package constitute a telecommunications service under the Telecommunications Act of 1996 ("Act") and thus become available for purchase as a package on a wholesale basis to competitors for resale? If so, would the tie to BA-VA's intraLATA toll constitute "unreasonable or discriminatory conditions . . . " as prohibited by § 251(c)(4)(B) of the Act?

Accordingly, IT IS THEREFORE ORDERED THAT:

(1) A hearing shall be held in the Commission's second floor courtroom, Tyler Building, 1300 East Main Street, Richmond, Virginia, commencing at 10:00 a.m. on December 16, 1998, for the purpose of receiving testimony and oral argument relating to the issues set forth herein, and all other issues

deemed appropriate by the parties, for a determination of the request of BA-VA for tariff revisions requested in this proceeding.

- (2) Interrogatories shall be served and answered in accordance with Rule 6:4, except that the period for response is shortened from twenty-one (21) days to five (5) business days.
- (3) On or before November 11, 1998, BA-VA shall file any direct testimony and exhibits it intends to introduce at the hearing.
- (4) On or before November 25, 1998, all other parties and the Commission Staff shall file any direct testimony and exhibits they intend to introduce at the hearing.
- (5) On or before December 4, 1998, BA-VA shall file any rebuttal testimony and exhibits.
- (6) On or before December 9, 1998, parties and Staff shall file any pre-hearing briefs addressing legal issues upon which they plan to submit oral argument at the December 16, 1998, hearing.

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